



## Committee on Community Resources and the Northampton City Council

### Committee Members:

*Councilor Dennis P. Bidwell*  
*Councilor Maureen T. Carney*  
*Councilor Alisa F. Klein*  
*Councilor Gina-Louise Sciarra*

### Meeting Minutes

**Date: June 27, 2016**

**Time: 1:00 p.m.**

**Location: City Council Chambers**  
**212 Main St., Northampton, Massachusetts**

#### **1. Meeting Called to Order and Roll Call:**

At 1:00 p.m. Councilor Sciarra called the meeting to order. Present were Councilors Sciarra, Bidwell, Carney and Klein. Also present in the audience was Councilor Marianne L. LaBarge. No other City Councilors were present. Councilors introduced themselves to the audience. Councilor Sciarra noted that the meeting was being video and audio recorded.

Councilor Sciarra reviewed the expectations during the public forum; in general the Committee follows the same expectations of conduct that the City Council follows. The Committee requests civility and respect from all participants; Committee members don't respond during public comment; the Committee will interact with speakers during a public forum.

#### **2. Public Comment: None**

#### **3. Approve Minutes of June 20, 2016 Meeting: Councilor Sciarra noted a typo regarding the spelling of Munroe Street on page 4; Councilor Bidwell moved to approve the minutes of June 20, 2016; Councilor Carney seconded the motion. The motion was approved on a voice vote of 4 Yes, 0 No.**

#### **4. Public Forum Regarding Downtown Workers (Part of the Northampton City Council Committee Study Request concerning Northampton and Florence downtown economy)**

Councilor Sciarra explained that this is the third in a series of forums that is being held by the committee to get a better understanding about the concerns and pressures that are faced in downtown Florence and downtown Northampton. To address the request, the committee is gathering information from members of the community. The forums are being held in response to the Committee Study request issued by the Council President and Vice-President to study the local economy with a focus on businesses and workers. The committee has received reports from the City's Economic Development Director, the Director of Planning and Sustainability, the

Greater Northampton Chamber of Commerce, the Pioneer Valley Worker's Center, and the UMASS Amherst Labor Center. The first public forum was held on May 16, 2016 and was centered on business owners. The second was held on June 20 and was centered on downtown workers and residents. The last forum will be held July 18, 2016 at 5:30 with a focus on Property Owners, Leasing, Arts & Tourism. The forums are intended to solicit input from those directly involved in the downtown economy. The general question that is being asked is, "what are the pressures that you feel or experience, what things do you think are done well, and what are the things that you think can and should be supported by the City. Following the forums the Committee will compile the information into a report for the full City Council and consider any recommendations where the City Council could take action. The Committee will not be deliberating until the forums are closed out and the Committee has heard from everyone who wishes to testify. Receipt of information does not automatically mean agreement by the Committee. The Committee has a webpage set up that is dedicated to information about the CSR. It includes links to Committee minutes, videos, handouts and more. It also contains information about how to solicit written testimony. After the Committee has heard from everybody who wishes to speak, the Committee will review the information, both qualitative and quantitative as a group before reaching consensus on Committee recommendations. This will not happen until the forums are concluded as it is important to the integrity of the process, especially since the issues are sensitive. It is important to the Chair as she is giving the community her word.

During the June 20<sup>th</sup> forum it was announced that Councilors Klein and Carney are presently working on a wage theft ordinance with people in the community, some of whom were at the 6/20 forum. As Chair of the Committee, Councilor Sciarra expressed concerns that she is now in a difficult position since her statements concerning the expected behavior of the Committee were made on behalf of the Committee without objection. Councilors Klein and Carney are working independent of the Committee and Councilor Sciarra noted that their work is in no way a recommendation or the result of the Committee's study. Councilor Sciarra noted that it seems likely that Councilors Klein and Carney will bring the ordinance to the full City Council. Councilor Sciarra noted that this means the wage theft ordinance will be moving on a different track other than via the CSR. Councilor Sciarra suggested that any additional testimony to be given today concerning the wage theft issue be submitted in writing to the Administrative Assistant @ [ppowers@northamptonma.gov](mailto:ppowers@northamptonma.gov). The testimony will be made available to the full City Council for consideration or debate. Councilor Sciarra noted that she could not talk to Councilors Klein or Carney prior to today's meeting without violating the Open Meeting Laws.

Councilor Carney asked whether Councilor Sciarra intended that participants not speak today. Councilor Sciarra noted that she would not prevent people from speaking, however, this Committee would likely not be deliberating on this issue because this issue has already moved forward as an ordinance that will be going to the full City Council, therefore Councilor Sciarra will not be recommending that it be part of the study or its deliberations. She suggests interested parties send testimony to the full City Council who will likely be deliberating on this issue.

Councilor Klein noted that there was discussion concerning a wage theft ordinance even before the CSR process began. She believes that it does dovetail the process, but she does not think that they are mutually exclusive processes. She believes that they are interwoven as it is part of the downtown economy and workers. She believes it is appropriate for audience members to share anything that they want, including anything that has to do with their experiences as workers and anything related to wage theft. Councilor Klein believes that it is relevant to the discussion about the downtown economy. When the ordinance is submitted for consideration, the same testimony can be heard again from anyone interested in sharing it again.

Councilor Carney noted that there is nothing that is currently drafted; there is only sample legislation from other communities that was received by the entire Committee. There has also been a couple of conversations with other advocates in the community and that was happening

with the full knowledge of the Council President and Vice-President who have also talked with other community members about moving forward with this. She believed that this committee study request should not preclude those things from happening.

Councilor Sciarra noted that she has repeatedly stated that there would be no deliberation. And while there has not been deliberation among all committee members, there has been deliberation within the committee about this issue. If 50% of the committee is moving forward with an ordinance, then there has been deliberation that has been happening and a recommendation that is being acted upon.

Councilor Carney noted that deliberation about this issue had already begun before the committee took up the CSR.

Councilor Bidwell noted that there are a whole range of issues pertaining to downtown that have been discussed and presented to various members of the council as possible resolutions, ordinances, etc. involving a huge range of topics, including pop-up art, zoning matters. Councilor Bidwell had expected to discuss all of the topics as a committee and come up with a comprehensive package of recommendations. He was surprised to learn at the last meeting that there is a plan for one particular topic to proceed on its own track to Council. He finds it awkward to make speeches about not deliberating until everything is heard when in fact there is a plan to proceed on a separate track with just one topic.

Councilor Klein noted that she does not think that they are mutually exclusive processes. The interest that she has to develop a wage theft ordinance is based on everything that she does politically, socially, and not necessarily related to the work of this committee. She feels that rather than frame this as hijacking a piece of the work of this committee, it should be viewed more like a complementary piece to what is being examined by this process.

Councilor Sciarra noted that while she appreciates the value of what is said, she doesn't feel comfortable telling someone who is coming before this committee to speak against a wage theft ordinance that they are being heard in the context of a committee that is completely unbiased about the matter, which is what was promised before every forum.

Councilor Klein noted that it is being framed as an adversarial position on the matter; however, it should not be viewed that way. If it is viewed that the legislation benefits only workers, then that is a problematic perception and there is bias in that perception.

Councilor Sciarra noted that the advocating that Councilor Klein is doing at the moment is deliberation, which she has said the Committee would not do. Realistically, certain factions of this study have been perceived as adversaries. They have presented letters to the press or people's perception of what they have heard or what they think is going to happen has been presented in an adversarial way. She felt that all members of the Committee had signed onto the process of hearing from everyone, allowing people to speak openly and freely, and not discuss or come up with separate point of view that would then be presented to the full City Council.

Councilor Bidwell has had numerous conversations with the public, and others about possible zoning changes relating to downtown, food trucks, permitting of public arts and performances, and a whole variety of other things. Councilor Bidwell notes that while the information is interesting, he states that it would be considered as part of a whole package. He notes the importance regarding the subject of wage theft as an issue; he does not feel it should be held out for parallel track treatment of an otherwise comprehensive process.

Councilor Sciarra noted that speakers are asked not to refer to businesses or persons by name or obvious identifier when making negative or defamatory remarks. This is not a forum for

grievances and the Committee is not an enforcement body for any perceived violations. The Chair reserves the right to rule someone out of order if the expectations are not met. Speakers are asked to give name and address for the record. Comments should be limited to five minutes. Time will be kept by means of a timer; when the five minutes are up, an audible beep can be heard. This forum is designated for workers, however, any one can speak to any issue they choose. Priority will be given to people who work in downtown Northampton first, either directly or via an interpreter. Representatives of workers will be given an opportunity to speak, however, the Chair requested that they wait until workers have had an opportunity to speak.

**Bob McGovern has been a worker in downtown for 40 years; Mr. McGovern works and has a business at 14 Masonic Street. He resides in Hatfield.**

Mr. McGovern notes that forty years ago the town was boarded up with not much going on. In forty years he has never had a problem with wage theft. He believes this is a witch hunt and there are certain councilors involved in union activities. This wage theft allegation is nothing but blowback from a failed attempt to unionize the Hotel Northampton. At the June 20<sup>th</sup> meeting, an activist from Amherst alleged that a young gentleman from Amherst went home and committed suicide because he was being abused by an employer. Mr. McGovern wondered if the young man had mental health issues; he perhaps tried to reach out, but no one listened. The young woman who suggested that Northampton is somehow to blame is unconscionable. To have the Councilors believe that this behavior is done on a regular basis here suggests that there is no other agenda than to promote union activity in Northampton. There are 118 restaurants or places to serve food in Northampton; since 2014 there have been eleven complaints. Seven of those complaints were businesses that were struggling financially and finally went out of business. They all paid their employees. There was another comment made by a former Zen employee. Mr. McGovern notes that the way employees were treated by this business is unconscionable; they were told to leave their jobs on a Monday and also told that they had a week to move out of their house; this is not the way employers should treat employees. The employee commented that it was not the responsibility of the employee to protect themselves and their wages; employees are already so much at risk going to work, including labor. She felt that employees should not be tasked with the enforcing of laws that exist to protect workers. Mr. McGovern noted that to him it wasn't clear what she meant—she shouldn't stick up for herself?; she's not responsible for watching out for herself? Mr. McGovern also noted that undocumented workers should not be hired in the first place. Employers have to get a birth certificate and a license from applicants. Employees have to play by the rules. Employers that hire them and pay cash under the table are robbing the City and the Commonwealth of tax money. Free lodging is taxable benefit. He is embarrassed for the City Council and the way that the restaurant industry is being attacked is unconscionable. Councilors should recues themselves because of union activity. This, he believes, is just a disguised attack on the City. After forty years he still loves the City, but he is getting ready to put a "For Sale" sign in the window.

**Lisa Clauson, 35 Harrison Avenue**

Ms. Clauson submitted a written version of her testimony; below is that submission. During her testimony, Councilor Sciarra reminded Ms. Clauson to refrain from naming companies involved in alleged infractions. Ms. Clauson noted that this is problematic given that there are issues happening in Northampton, and one can see what those problems are. Councilor Sciarra asked that Ms. Clauson only refer to the event as having happened in Northampton.

I work for the Carpenters Labor Management Program, we are a collaboration of the Carpenters Union (New England Regional Council of Carpenters) and our union contractors. I also live in Northampton in Ward 2. We have signatory contractors based in Northampton and members who live here as well.

Much of the testimony and press coverage on wage theft here has focused on the restaurant industry. However it is also a major concern in the construction industry. In construction, all too often contractors try to meet low bid numbers and cut their costs through misclassifying their workers. This happens through classifying workers as independent contractors, paying cash wages, not deducting payroll taxes, and not paying workers compensation despite controlling and managing their work. Sometimes workers are not paid overtime or are classified at lower skilled rates than the work they are performing. A Harvard research study estimates this happens in 1 in 4 Massachusetts construction employers. As a result of misclassification, millions of dollars is lost to the state in unreported income tax, unemployment insurance tax and to insurers in workers comp premiums. And when workers are injured on the job instead of workers comp covering them, the worker and Mass Health are losing money.

Wage theft in construction has been an issue in Northampton as it has been across the state. We have affidavits from carpenters who worked for a Cutler subcontractor on the Christopher Heights project. These carpenters signed legal affidavits affirming that they were being paid in cash during the full time they were working at Christopher Heights. Being paid cash means the employer is purposefully misclassifying the worker to avoid paying workers compensation insurance and state and federal taxes and likely the employer is also exploiting other wage and hour laws and regulations such as overtime rules and safety mandates. We know this also happened in the building of the Senior housing on Conz Street. And we only track a limited number of big commercial projects. Unfortunately, this is also a major problem with home builders and smaller renovation jobs too.

Cities are well positioned to call attention to the problem of wage theft, to raise employers' awareness of the consequences, and to deter future wage violations by passing municipal wage theft prevention ordinances. I urge you to follow the lead of Boston, Cambridge and Chelsea in addressing this problem.

One last point, there has been coverage of employers arguing that wage theft is not a big problem in Northampton and there is no need to work on this issue. If these employers are following the rules, a wage theft ordinance will not affect them and they will not be impacted by it. The ordinances and executive orders moved forward in other cities just address penalties for owners found in violation. So I'm surprised that so many feel a need to argue against something that would not affect them if they are as they say, treating their employees fairly and following wage and hour laws. Clearly by the testimony you have heard today and in past hearings, wage theft is indeed a problem in Northampton. I'm new to this town having moved here with my family last summer. It's been a wonderful and friendly community to join. I've bought a house here, my children go to the public schools, I've joined two PTOs and I've become active in supporting School Local Northampton. I hope my new community is also committed to protecting its most vulnerable workers. Thank you.

**Timothy S. Crow was signed up to speak; as he noted his address on the sign-up sheet as "Carpenter's Union, WMASS", Councilor Sciarra requested that he wait until all non-represented workers have had a chance to speak.**

Mr. Crow asked whether he was going to be able to talk about cases involving convictions of local companies, including naming people and companies involved in those convictions. Councilor

Sciarra noted that the Committee is not a body that can prosecute the information. Mr. Crow asked whether the information, if submitted in writing would be read. Councilor Sciarra stated that she would likely read the information, but in public forum he is asked to refrain from naming individuals or businesses. Councilor Sciarra asked the Committee what their opinion was; Councilor Klein noted that convictions are a matter of public record; Councilor Bidwell agreed that if the matter has been adjudicated it is a matter of public record and that this is a clear distinction between these and allegations made. Mr. Crow stated that he would submit his testimony in writing with the convictions, cases and everyone's name associated.

**Meghan Sullivan of Joe's Café indicated that she would submit her testimony in writing.**

**Deb Flynn of Eastside Grill indicated that she would submit her testimony in writing.**

**Katy Wight is a Northampton resident and is a manager at Edward Elgar Publishing.**

Ms. Wight stated that she is here on behalf of her staff who has expressed concerns about affordable housing in Northampton. There are a lot of entry-level staff at her company and for many it is their first career path job. Employees come from all over the country. The company pays wages that are competitive with New York and Boston. When people come to find work, they find that they cannot afford to live in the city. They take their paychecks and spend them in other towns; they pay rent, they go out to eat and drink, and they do their shopping in surrounding towns. The quality of life is not what they expected, and they leave after a year. Ms. Wight thinks that this should be changed. People's quality of life should change for the better after a full year here. She would like to see the City focus more on that other level of affordability.

**Christine Buchholz is from Viva Fresh Pasta on Main Street.**

Ms. Bucholz has been working as a cook and a chef in Northampton since the early 1980's. She still works all the time on the floor in her business. She is tired of the disparagement concerning the validity of working in a restaurant business that provides work and a way of life for so many people. If there are people who have problems with their employer, the employer should be accessible. When her employees have problems, they go to her to resolve issues. She is always available to them. She is somewhat defensive about this issue, and asks for the Committee's pardon. She states that Northampton's environment has been increasingly hostile. Parking, high rent, increased food prices, increased fees and increasing pressures are some of the concerns. There are many workers in restaurants that are making Northampton vibrant, but it is a sinking ship. People are moving to Easthampton. She asked how many times the Committee has heard that people won't come into downtown. This is part of an adversarial environment in downtown. The businesses cannot pay workers more unless people come into downtown. Public transportation is a joke. Workers have to take a bus home to where they live, but can't unless the schools are in session (she notes that PVT buses are subsidized by the colleges and universities. She suggests that the bus routes not just be subsidized not just by these, but by other institutions as well). A cook at her restaurant takes the bus to Hatfield, but the buses don't run on the weekend. He takes a cab to work. The City is not supporting viability. Pressure on restaurant owners is huge; they work hard. If employees come to employers, employers should be open to listen to concerns raised by workers.

Councilor Sciarra asked what specific things the City can focus on to make it more welcoming. Ms. Bucholz suggested public transportation that can be taken after the restaurant has closed, and on weekends, holidays, when school is not in session, to Springfield, Holyoke, Greenfield, Amherst, or any other place that people working in this City need to go. Parking is also an issue, especially for employees. Customers won't stay for dessert because they don't want to get a parking ticket. Restaurants are a huge part of the town, as employers they support a lot of people.

Councilor Sciarra noted that a recent parking study noted that a lot of the downtown parking spots are one-hour spots which make it hard for restaurants. She noted that this is being looked at to consider longer parking times. Ms. Buchholz discourages employees from parking in short term parking, but the longer term parking lot (Round House Lot) is perceived as dangerous (referred to as the “rape lot”). Even men have been followed down to the parking lot making it difficult for them to want to park at that location.

**Fred Gohr lives at 50 Walnut Street, Northampton. He is also the general manager of Fitzwilly’s Restaurant on Main Street.**

Mr. Gohr has seen the town change a lot since 1980. He would have liked to have come to the first two forums so that he would be better informed before speaking today. Most of the information he has received by reading the daily Hampshire Gazette. He feels as though there are some points that need to be addressed. He feels as though it is terrible what has happened to the employees of Zen Restaurant. To see the information in the local newspaper, and read quotes from local councilors, he sees the restaurant industry being painted with a broad brush as unfair employers who take advantage of people. He noted that this is not true; he employs eighty workers and offers paid vacations to full time employees; sick time to employees; and health insurance to employees. There are a number of employees who have worked at his restaurant for many years. A bartender who started in 1978 just recently retired. A number of other employees have been with the restaurant for fifteen plus years. They stay because they are treated well; a vast number of restaurants do treat their employees well and certainly legally. Wage and hour laws are defined by the State, as well as the federal Dept. of Labor. He feels that those laws are enough if they are enforced by their enforcing agencies. Adding a local ordinance is redundant and Mr. Gohr does not feel this is necessary.

Mr. Gohr also noted that many people who speak out about the wage theft issues often speak about undocumented workers. He notes that it is suggested that undocumented workers seem to be treated less fairly than documented workers. He stated that it is against the law to hire undocumented workers. The Immigration and Naturalization Service states that they will fine employers \$10,000 for every undocumented worker. Mr. Gohr doesn’t hire undocumented workers and is careful to get proper documentation when hiring an employee. He suggested that if there is a push to enforce the labor laws, then all of the labor laws should be enforced, not just some. Mr. Gohr thanked the Committee for the opportunity to speak; he believes the business community in Northampton is very strong and there are a number of great business leaders in this community.

**Myra Lam lives at 22 Butler Place, Apt. #3 in Northampton. Ms. Lam also works at a downtown Northampton restaurant for 2 years.**

Ms. Lam is formerly from Milwaukee, Wisconsin. She moved to Northampton in 2007 to attend college. She is drawn to the local culture and the downtown economy is linked to that. When people ask her what Northampton is like, she will respond, “the crosswalk is made of rainbows”. She is invested in keeping the community healthy and vibrant. As a consumer who lives within walking distance of the town, she Ms. Lam has had a wonderful experience. There is great variety here and great shopping. Part of the downtown economy is what is behind the scenes, including how workers are treated. Ms. Lam worked downtown for about one year, and then one year at a different branch of the same restaurant in a different town. She did not have her wages stolen, but feels that this was due in part to the fact that she came into the position with a lot of privilege. At the time, she was a Smith graduate. She perceived the restaurant owner as a benevolent figure. He was, however, nonchalant at one point with how he kept his chefs on board. There was a hot-headed chef who worked at one location who would sulk when business was slow. He worked eleven or twelve hours a day. Every so often when it would get busy he



would blow up and not talk to anyone. Her boss told her that he would storm off the job but that it was okay because he would come back. He said he would wait a couple of weeks, he wouldn't pay him, and then the cook would eventually come back to pick up his salary. The owner would ask him to stay a couple more day; the cook would then return to work. She didn't see herself as her boss's confidant and she thinks that in that restaurant, it was pretty normal to hold onto to someone's wages. Many of the waitresses and cooks worked from opening to close; they were paid salaries and Ms. Lam explained that she did not know what the situation was with their tips. The fact that her boss would say that he would hold onto the cooks wages is indicative of a pretty unhealthy culture within that one particular Northampton restaurant. A Gazette article noted that there were only 11 complaints filed with the Attorney general's Office within the past couple of years regarding wage theft. One could infer that there just isn't a lot of wage theft. Ms. Lam hopes to debunk that a little bit. Generally when you are talking about any abuses they are underreported. Sexual assault, for example is underreported because there is always a lot of shame and emotional baggage. It is also hard to figure out the process of reporting something. More specifically concerning restaurant abuses in Northampton, Ms. Lam reminded the Committee that she is a Smith graduate, has been politicized for a number of years, has been politically active, and is happy to speak up for immigrants. She did not know until a couple of months ago, that the governing body was the Attorney General's Office. She saw wage theft happening, but as a highly educated native English speaker, she didn't know who to go to. She is here to advocate for the wage theft ordinance knowing that there are some violations, not even necessarily at a majority of restaurants, and that if the Northampton City Council can help the Attorney General to enforce those existing regulations, she believes that the City can have a stronger, more healthy economy.

**Arthur Butler of the Foundation for Fair Contracting of Massachusetts; Mr. Butler resides in Pittsfield, MA**

Mr. Butler has spent nearly forty years in government and enforcement and also with the Foundation for Transmittals for Fraud Agencies. There are currently about fifteen agents working for the AG's Office; where the AG's Office can get help from municipalities, especially concerning bids, ensuring prevailing rates are paid, certified payroll is submitted on time, Mr. Butler claims that it helps. Mr. Butler supports the statement that complaints will go unreported, especially in the construction industry. People are forced to take a job, work for cash, without workers compensation. If they get hurt on the job, they don't have a lot of recourse. In his previous job, Mr. Butler used to make inspections. Most non-compliance issues were found as a result of an inspection, and not as a result of a complaint. In the restaurant industry, waitresses would receive tips, but the employer would handle all of the tips. The money would then be used to pay the dishwasher, bartender, and other people who weren't under the minimum wage umbrella. The employees were forced to pool the tips, which is illegal unless the waitresses held onto the tips. Mr. Butler noted that he found a lot of problems with that situation. There are problems, whether it is overtime, minimum wage, prevailing wage, etc.

**Mary (last name not available) lives in Easthampton.**

Mary has worked in the restaurant industry since she was 17 (she is now 72). She has waitressed in Chicago, Cape Cod, Boston, and Easthampton. She has had some wonderful experiences. It is the type of work where she has felt most vulnerable and notes the vulnerability of her co-workers. In a Boston restaurant, she was threatened to be fired for breaking a glass. At her most recent job, she was fired due to age. She did not report it because she is aware of the vulnerability of other workers. She has never been paid any additional money when her pay has not amounted to minimum wage. She never questioned when her hours and shifts were set arbitrarily. She has also never questioned when shifts were taken away from her. This is just the way that the industry works, even in the best places, When Mary heard about the wage theft ordinance; she thought that this type of personal vulnerability has shifted away to where it



belongs, which is licensing and inspection. Mary has been told that it should not be the person who still works at a restaurant who reports problems, but rather someone who has already been fired or left. Mary has a sister who lives in Sydney, Australia. When you visit, there is a fabulous food culture, even better than Northampton. All employee pay in the food industry is set by government award. No matter what function you perform for a restaurant, you know what your rate of pay will be, which is higher than what is paid in Northampton. No one tips; the food does cost more, but the pressure is off. The competitiveness is gone. If Northampton adopts such an ordinance, then Mary can go to Easthampton and say, "Look at what Northampton has done".

**Lindsey McCluskey is a resident of Somerville, Massachusetts and is representing Community Labor United.**

Ms. McCluskey commented that wage theft is a growing crisis across the entire country. Millions are being robbed of an honest day's pay for an honest day's work. It takes many forms, including being paid less than minimum wage, not being paid time and a half for overtime hours, being told to work "off the clock", having illegal fees deducted from paychecks, or being misclassified as an independent contractor. These practices are rampant across many sectors including construction, retail, hospitality, property services, health care and more. It happens at many levels, including "mom and pop" stores, to some of the largest corporations in the world, including Walmart and Staples. In MA, nearly 5,000 wage theft complaints are filed annually, and since 2009 the joint task force on the underground economy has recovered over \$40 million for workers in the Commonwealth for unpaid taxes, workers compensation, and non-payment of wages and overtime. CLU is working with labor unions to try to address wage theft. This is being done in two different ways: (1) supporting local organizations and taking action in their cities and towns, and (2) fighting to pass state legislation to prevent wage theft called, "An Act to Prevent Wage Theft" and to promote employer accountability. On the municipal level, CLU has worked with the City of Boston and the City of Cambridge to take executive action by passing a wage theft executive order. They have also worked with leaders in Chelsea to pass a wage theft ordinance calling upon City to ensure that they are contracting responsibly. They are also calling for no food or liquor licenses to be issued to businesses with a track record of wage theft. Ms. McCluskey is excited to see that the City Council is talking about the wage theft issue and CLU would be happy to provide information about the work supported in other cities and towns. The state legislation is looking to do three things: (1) hold businesses accountable for wage violations when they subcontract or outsource to companies that don't pay their workers; (2) allow the Attorney General's Office to issue a stop work order at job sites with on-going wage violations; and (3) it would enhance civil penalties assessed on employers when they commit wage theft. The legislation is currently pending; CLU is hoping that cities and towns can send a strong message to state legislators that they need to increase penalties for violators. Ms. McCluskey will submit additional materials about the work of CLU and would be happy to provide research that has already been done.

**Andres Warringer lives in Northampton** (Note: The author of the minutes was unable to confirm the spelling of the speaker name or residence).

Mr. Warringer has been living in Northampton for about five years. He has worked in about six or seven restaurants. He believes that most of the restaurants do a fantastic job; he loves being a waiter and bartender in most of the places that he has worked at. He has been heard that workers are blowing this out of proportion or that most restaurants are responsible enough to not have this issue be brought to light. However, Mr. Warringer thinks that individuals are unable to step forward and find due process and to report the issues correctly; he doesn't think that just going to the employer is going to help as much as it should. He does applaud the restaurants where that message is heard. Mr. Warringer has worked at a couple of restaurants where the employer is not being held accountable. If issues are brought to light, it is almost a fireable offense. If he makes \$6 per day in tips, and is making \$2.63 an hour, he would not be making

minimum wage. This might go on for a period of time without the employer adjusting his pay to meet the minimum wage standards. Wage theft has been an issue for him. He worked at one restaurant where there was a tip pool where there was no oversight except by the employer. His employer would pay out the tips over the next day or so, but it was not the amount that was put into the pool. When it came to light months later, the owner admitted that he was paying wages out of the tip pool. He had been sued for this offense. This was something that Mr. Warringer wanted to report, however, his employer presented 20 pages of documents explaining why he felt this was legal to do. He gave Mr. Warringer such a hard time that Mr. Warringer had to quit his job. Mr. Warringer also worked as a bartender at a different restaurant. The business was owned by a friend of Mr. Warringer. The owner had trouble keeping up with the expenses and Mr. Warringer agreed to work until the financial situation improved. Mr. Warringer agreed not to cash checks that he was given by the business owner because he was being given tips. When his wages reached about \$2,000, Mr. Warringer requested he be allowed to cash the checks. It got to the point where he had \$12,000 of uncashed checks. The business eventually closed and Mr. Warringer never received proper compensation. He has a “soft” agreement that the owner will pay month-by-month, but he has not seen any of the money.

### **Amy Bookbinder lives in Leeds**

Ms. Bookbinder noted that an earlier speaker referenced her remarks of the previous week. While he is entitled to his opinion, she disagrees with it. He commented that she was an activist from Amherst. Ms. Bookbinder has lived and worked in Northampton for forty plus years. The speaker also commented about the horrible suicide of a worker in Amherst and that this was related to mental health issues. Ms. Bookbinder was at the service for the young man. She talked to a number of co-workers and read a great deal about the situation. She does not intend to litigate the situation, but for the speaker to make up information is unbelievable to her. As to the policy of not allowing workers to mention names of restaurants, while there may be a legitimate reason for that, she believes that it would be okay if a worker decided not to mention a name. She knows that it is risky to stand up and talk about a difficult employer. For the Committee to disrespect them by saying that they cannot name their places of employment, if it doesn't show bias on the part of the Committee by protecting the employer, it certainly gives the appearance. She objects to that. There are a lot of people who have become uncomfortable eating out in restaurants because they have become aware of the report showing how employers are not treating employees properly. Some restaurants treat their workers well and some don't. To suggest that such an ordinance is a broad brush painting of all restaurants in the City is outrageous. There are many good restaurants. In terms of the economy, if the City should remain a place that is known for its restaurants, a wage theft ordinance only helps that. It will make people feel comfortable about the situation. It helps everybody, including the economy.

Councilor Sciarra strongly disagrees that the policy stated before every forum is disrespectful and the Committee holds businesses as well as workers to the same standard. A business, for example, would not be allowed to complain about employees by name nor would a property owner be allowed to name a business. The Committee is not a body that can deal with perceived infractions.

Ms. Bookbinder believes that it sends the wrong message to not allow employees to speak freely about their circumstances.

### **Yusef Bornecelli is speaking in support of the Pioneer Valley Workers Center**

Mr. Bornecelli lived in Northampton for a year and a half and worked at a local restaurant on Masonic Street for over a year. Mr. Bornecelli states that at the end of each shift worked, tips would need to be split among workers who were present. He was also told that the restaurant

owner needed to receive half of the tips. He indicates that this is wage theft. He did not agree to this arrangement but was told that he would either do this or be fired. He indicates that he didn't have anyone to speak to about this issue. He notes that he is well spoken and slightly higher educated, but even this did not give him access to an advocate. He claims that his boss was terrifying because he held an unreasonable amount of power over him and his co-workers who had a language barrier. There was an incident where he was walking outside where he was coming down the porch to serve; he slipped on the porch and fell. He called his boss because he had to be delivered to Urgent Care. Mr. Bornecelli claims that he has several soft tissue diseases, so when he hurts himself, he really hurts himself. When he called his boss, his boss claimed that he did not have insurance. What this told Mr. Bornecelli was that his boss did not see him as a human being. But this was not the first example; every shift Mr. Bornecelli was reminded that he was not a human being, he was there to work. This is the same story that many of his colleagues share. Regarding the wage theft ordinance, Mr. Bornecelli states that he is not asking for anything unreasonable. What is being asked for is an act of solidarity, a reminder that he is a human being, and that what his boss was doing was wrong. Regarding the gentleman that took his life in Amherst, that is not a misconception; these things have a toll on people. Mr. Bornecelli is a survivor of domestic and sexual assault. He questioned why when he worked for his former employer for a year and a half, he felt he was back and trapped in an abusive relationship. He needs money to survive, for medication, to go to a therapist that was helping him get through his work days because he did not feel like a person. He believes that employers should feel defensive because they feel like they are being attacked. Mr. Bornecelli states that they are not attacking employers directly, what he is attaching is the fact the he was told and felt like he was not a human being and deserving of very basic rights and being treated like a person. He was reminded that he was expendable. He has seen thirteen cashiers go through his position in less than nine months. He states that this is unreasonable and an indication of something that is very wrong. He feels it is fantastic that some employers treat their employees well. Northampton is famous for having a very inclusive atmosphere. He states that there is a rose-colored appRoche to this idea; it looks great on the outside, but what happens in that kitchen is the reality. He asks that the Committee listen to the testimony.

**Gretchen Ravenhurst lives at 16 Maple St. in Hatfield.**

Ms. Ravenhurst commented that the most important thing that she has seen today is the fear from the workers who are being abused, but also the fear from restaurant owners who are taken advantage of. Where she works there is a union, and Ms. Ravenhurst respects the work of the unions. The employees joined the union because they felt they had no power and no voice. The employees went to the employer several times to state what the employees needed, however, no changes were made. An outside company got involved and Ms. Ravenhurst believes that this is why unions strike fear into the heart of restaurant owners. She wants to be clear that restaurant workers just want to be heard. Instead of the taint that is being added to the "eating out atmosphere" in Northampton, we need to be sure that the owners are being held accountable and are talking directly to the workers that have complaints, maybe in a controlled environment, so that the workers feel that they are being heard and that changes may be made. Also, this will help employers from being scared of the underground movement that will come in and force them to change the way that they do business. Instead, perhaps they can be helped to improve their business and if there is a better atmosphere going on, perhaps there won't be a battle. The employers want the owners to benefit as well and don't want the dark cloud to move over Northampton and take out the great restaurant atmosphere that is here. There are a lot of hard workers, and there are a lot of sad stories from these workers. It is very important that restaurant owners hear those stories. It is also important that someone, maybe City Council, help them change so that they don't have twelve cashiers in nine months so that everyone is happier. Ms. Ravenhurst hopes that this can be done in this community. She has a lot of faith in this community to change some problems.

**Nykole Roche lives on Walnut Street in Northampton.**

Ms. Roche stated that she and her husband searched for a house for no less than two years that was within walking distance to bars. She states that they wanted to be close to bars and restaurants and everything that downtown had to offer. They purchased their home about five years ago. At the time her husband was working as a head chef in a downtown restaurant; they had a four year old daughter; Ms. Roche was working for a labor union; and the family had access to health insurance. They soon discovered that they were expecting twins. Her husband had been promised for years that he would get vacation time, but this never materialized. He worked 50 hours per week and never saw an overtime check. He had a relative die and was told that he needed to make up the time because he was not to be paid for the time off. He had no sick leave and when he was sick, he went to work. The things that happen behind the scenes in this town would “blow you away”. Instead of a bonus check that he was expecting, her husband was called in and was told by the owner that the restaurant would be closing and that the employees would not be receiving bonus checks. She states that her family is in a very privileged position; she has a decent paying job, access to health care with maternity leave. Ms. Roche describes her husband as a well-educated white guy who is a native English speaker. He was told suddenly that he did not have a job anymore. If English is not a person’s first language, if there is not another person at home who is able to provide support, Ms. Roche indicates that you are “just screwed”. It is frustrating to her to listen to restaurant workers say that they are under attack. If a person is running a downtown restaurant, the last thing that that can be said is that you are under attack. You are privileged to have people coming into your establishment, and if you can pay the rents downtown, then you are probably doing okay. It is very frustrating for Ms. Roche to see workers viewed as “special interests”; it’s good to hear that there are City Councilors who are working on the wage theft issue and thinking about the workers as the backbone of downtown. Without workers, all of the restaurants that people like to go to would close.

**Gabriella Della Croce lives at 3 Fruit Street in Northampton. She works at the Pioneer Valley Worker’s Center part time, does landscaping in the area, and is a part time teacher.**

Ms. Della Croce has lived in Northampton on-and-off for about five years. Ms. Della Croce is surprised to see such a focus on the number eleven, the number of complaints that have been submitted. To suggest that this reflects reality is not just a mistaken but also a little conveniently hasty. She stated that this number does not reflect reality. People don’t feel comfortable with their bosses. It is easy when you are the boss, in charge, and managing things. The boss does not understand the power dynamic that employees feel. Ms. Della Croce feels bad to see so many business owners see these conversations as threatening. If you are following the law, you don’t have anything to worry about. In her mind, what the owner should be worried about is the competitive disadvantage that the business is being put at. If you are doing the right thing and paying your workers more money, then this is costing the business more money and this could be challenging. It is unfortunate that the conversation has become adversarial. Ms. Della Croce indicates that there is a desire to support the downtown economy. Ms. Della Croce wants the Committee to reflect on who is here and who has come to these meetings and who hasn’t. There are a lot of people who have come forward but the audience is not reflective of the people who work in the back kitchens, in the back of the stores or the front of the stores. There are a lot of people who Ms. Della Croce has encouraged to come forward and speak to the committee, but they are scared. Maybe because they know their bosses are in the room and they feel threatened. Or maybe it is because they are not native English speakers and they are not documented. Ms. Della Croce is horrified about some seemingly racist comments from earlier speakers. There are undocumented immigrants in the community and they help make the economy run. They are here to stay so to pretend that they are not there or to say that nobody should be hired is pretty sad and reflects the kind of racism that we see in the nation as a whole. This is tearing our whole national political scene apart. As a community in Northampton this is a

sanctuary city and a place that is welcoming and prides itself on being truly progressive and diverse. We should focus on the city that we want to be, not on who we think that we are.

Councilor Sciarra notes that she has tried to reach out but notes that there are constraints that everything that the committee does has to be public, and that people have to state their name. Councilor Sciarra notes that it is an untenable situation for some people.

Councilor Sciarra thanked everyone for coming to the forum; she recognizes that it takes time and courage to speak about these issues. The next forum is scheduled for July 18<sup>th</sup> in City Council Chambers. The meeting will begin at 5:30 p.m.

### **Update on CSR, including Research by Jonathan Goldman**

Councilor Sciarra talked briefly about the July 18<sup>th</sup> meeting. She is thinking that at that meeting she will present something to the committee that summarizes what the Committee has heard to date (it won't include any testimony from the July 18 meeting). The report will include what the committee has done and how the data collection was achieved. She suggested that the July agenda include "Review of the Report" and that during the meeting the committee will work on drafting a paragraph about the fourth and final forum. The report will then be sent on to the full City Council. Also on the agenda, the Committee can review the next step after the forums have been closed out.

The committee had previously agreed that they would not meet in August.

In the two months after the July forum, committee members can review minutes, and other information and begin to think about how to frame recommendations. Beginning in September, the committee can begin meeting to discuss its recommendations. Councilor Bidwell noted that this is consistent with what he believed the plan to be.

Councilor Sciarra noted that the Committee is a few days over the 120 day timeline requirement in which to report back to the City Council; however, she has already cleared the extension with the City Council President and Vice-President.

Councilor Sciarra noted that there are two reports from Jonathan Goldman. Mr. Goldman was on hand to discuss his research and findings.

Mr. Goldman started with the first report. There were a few questions posed by the Committee at an earlier meeting. In a city like Northampton, a lot of the businesses are not mass retail. As a result, the businesses are a lot less likely to be affected by on-line consumer purchases. A big part of the City's downtown includes restaurants, which is not part of the on-line retail economy.

The second part of the report addresses parking reports that provide revisions to downtown parking in Northampton. One report deals with Main and King Streets with ideas about how to increase sidewalk space for more foot traffic. One idea is to change to one lane of traffic on both sides of the street to parallel parking. This seems to be typical for other cities that are similar in size of Northampton, including: Ithaca, New York; Burlington, North Carolina; and Burlington, Vermont. Businesses and community members both wanted revised streetscapes in these locations. When there is a focus on creating a Main St. that is pedestrian centered, people are more willing visit that location. Mr. Goldman outlined the focus of the master plans for each of the highlighted locations.

The second report included plans for city and business interactions. Municipal-business collaborations proved successful and an idea for this type of collaboration includes municipal

owned property leased or rented at reasonable rates to business owners. Another idea is to make it easier to hold events in the city. Providing utilities is just one example where a City can enhance event planning.

Councilor Klein asked about turnover rates for other cities. Mr. Goldman explained that his reports do not cover this topic, but he is willing to investigate this information. Mr. Goldman is planning a trip in the near future; however, he is willing to communicate with the Committee via e-mail.

Mr. Goldman asked about a survey from the committee. Councilor Sciarra explained that the Committee is still trying to figure out the best way to get a survey out to the community. Greater Northampton Chamber of Commerce Director Suzanne Beck gave an outline of a survey that was conducted by the Chamber. Ms. Beck has offered to do another survey, and would allow the Committee to insert any questions. Mr. Goldman offered that when asking questions, information that would be readily available would be anything that a business must report to the U.S. Census. Mr. Goldman also noted that quite often when people provide information about their business, they provide it as an overall percentage, such as, payroll is 40% of overall expenses. People might not feel comfortable talking about absolute values.

Councilor Bidwell noted that the survey that was done two years ago by the Chamber of Commerce was done using software called "Survey Monkey". That survey is still available and can be updated as discussed. Some of the questions were subjective, such as what this business owner is seeing as trends, what is happening, both good and bad, etc. He suggests that the questions could be more specific in some areas. He also notes that some Northampton businesses also own businesses in other communities, like Amherst. He suggests that they could be asked to comment about their overall experience comparing Northampton to other communities. He believes that the Chamber had a pretty good response rate. He believes that asking the Chamber to do a survey would be easy and could be done with a quick response time. Councilor Bidwell also noted that "exit" or "entrance" interviews could also be done. Exit interviews means talking to businesses that have left the City and asking what prompted the closing. Entrance interviews means asking new business about what prompted them to choose Northampton to establish a business. He believes that the Committee owes the Chamber a response about whether the Committee would like a survey done. Higher response rates can be obtained if a business is promised anonymity.

Councilor Sciarra asked the Committee if they would like to craft some questions that could be added to a Chamber survey. Councilor Sciarra noted that working with the Chamber may be perceived as bias on the Committee's part and that there may be some implicit agreement about things. Councilor Bidwell noted that the Committee has been clear that anyone can provide data to the committee. Councilor Sciarra agrees, but suggests this is different than collaborating to gather data. Councilor Bidwell stated that if the Committee is concerned about this, then the Chamber can move ahead with the survey without the Committee adding additional questions. Then it is a product entirely owned by the Chamber. Mr. Goldman noted that even if the survey was not done with the Chamber, they might be willing to distribute a survey on behalf of the Committee.

Councilor Klein asked about the processing of any data that is collected. After gathering the data, there will be a need to aggregated, and then implications of the results will need to be considered. After this, then an action plan will need to be put together. Councilor Klein indicated that this may be a lengthy process, and wondered whether this could be done before September. Councilor Bidwell noted that the on-line survey piece could be done in a relatively short period of time. Compiling the data will be done electronically. The system will even be able to separate out restaurant data from retail data. Perhaps the information can be available for July and August so that it could be part of what the Committee will deliberate about. Regarding the exit/entrance

interviews, Councilor Bidwell feels that this step might be more labor intensive and doesn't have a sense of the timeline for this part of the project. Councilor Sciarra noted that the committee will need to figure out what kind of questions the Committee would like to add to the survey.

Councilor Bidwell has examples of the survey and will make them available the Admin Assistant for forwarding to other committee members. "Chamber Survey Questions" will be part of the July 18 agenda for this committee. Councilor Bidwell will find out more about whether Committee questions are allowable.

Mr. Goldman noted that questions can be asked in a certain way which will allow the Committee to draw more conclusions based on the input that is received. For example, instead of asking what the total income is for a business, it could be asked what the amounts are for the five things that go into the income figure.

Councilor Klein noted that it might be worthwhile to look at Terry Masterson's data to be sure that the Committee is not duplicating that information.

Councilor Sciarra noted that the boundaries set by Director Masterson are different than how others see downtown. She notes that this study is for downtown Florence as well.

Councilor Bidwell suggested that to save time, the Committee Chair could add questions based upon what the Committee has heard so far.

Councilor Sciarra asked if there was a preference for the Committee to meet before the forum began; Councilor Klein noted that audience members may not want to sit through discussions about this prior to giving testimony as part of the forum. After further discussion, Councilor Sciarra remembered that she had noted that the Committee will be writing about the forum that will have just taken place, so the Committee will need to wait until after the forum to discuss this further.

5. **New Business - None**

6. **Adjourn** - Motion to adjourn the meeting was made by Councilor Bidwell at 3:07 p.m. and seconded by Councilor Klein. The motion was approved on a voice vote of 4 Yes, 0 No.

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